



MAYOR AND COUNCIL AGENDA

NO. 12

DEPT.: / Community Planning and Development Services

DATE: July 7, 2004

Contact: Ryan McDavitt, Program Manager for Town Center

ACTION: Approval of Public Improvements Contract and authorization to proceed with a portion of Phase I Scope of Work.

To: Whiting-Turner

Of: Baltimore, MD

Total contract amount: \$8,045,930

Notice to Proceed amount: \$975,679

For: Phase I construction of Rockville Town Square

ACTION STATUS:

FOR THE MEETING OF: 7/12/04

INTRODUCED

PUB. HEARING

INSTRUCTIONS

APPROVED

EFFECTIVE

ROCKVILLE CITY CODE,

CHAPTER

SECTION

☒ CONSENT AGENDA

RECOMMENDATION: Staff recommends the award of the contract to Whiting-Turner in the amount of approximately \$8,000,000 in a form approved by the City Attorney to provide construction services for the Rockville Town Square Project, and authorization to proceed with a limited scope of work in an amount not to exceed \$975,679.

IMPACT: ☐ Environmental ☒ Fiscal ☐ Neighborhood ☐ Other:

Funding: Sufficient funding is available in Account No. 420-600-0A80-0426.

BACKGROUND: In order to maintain the current project completion schedule and budget, the construction on the site work for the Rockville Town Square Project must start by July 15, 2004. To achieve that schedule the City of Rockville needs to award a construction contract for the public improvements (\$3,976,249) and a portion of the garage construction (\$4,069,681), in the total amount of \$8,045,930. That award will allow Whiting-Turner to contract with the sub-contractors needed to perform initial site work. Whiting-Turner will be given a Notice to Proceed (NTP) for a portion of the Phase I scope of work with a "not to exceed" amount of \$975,679. The initial not to exceed amount will allow 60 days of work while the full scope of work and costs are finalized. That information, along with the insurance provisions, will be presented to the Mayor and City Council at the July 26, 2004 meeting. With the approval of the Mayor and Council, the balance of the work can be authorized to proceed.

The public improvements Phase I scope of work will involve surveying, earthwork, utilities, sheeting and shoring, dewatering, general conditions, insurance, fees, and preconstruction services. The cost for that scope of work is approximately \$4,000,000. The notice to proceed on the remaining balance of the public improvements scope (approximately \$10,500,000) will be considered by the Mayor and Council on July 26, 2004. The balance of the contract will involve paving, fountains, sidewalks, landscaping, site amenities, etc.

Of the \$8,045,930 award under the initial scope, approximately \$4,000,000 will be for earthwork

associated with the public garage project. When the public garage project is awarded in early fall that amount will be transferred from the public improvements project to the public garage project. It is necessary to split the contract in this way to maintain the current construction schedule, and to realize a construction cost savings by reaching a large economy of scale.

The Owner Controlled Insurance Program (OCIP) will not be ready to be awarded on July 12, 2004. Whiting-Turner, as part of the above stated prices, will provide their own insurance until the OCIP is approved and in effect. After the OCIP is finalized, Whiting-Turner and sub-contractors will cancel their insurance and be covered under the OCIP.

	Public Improvements	Public Garages	Total
12 July 2004	\$3,976,249	\$4,069,681	\$8,045,930
26 July 2004	Approx. \$10.5 mil	\$0	Approx. \$10.5 mil
Fall		Approx. \$30 mil (+/-)	Approx. \$30 mil (+/-)
Total	Approx. \$14.5 mil	Approx. \$34 mil (+/-)	

Whiting-Turner was selected through a competitive negotiation process. The selection process included several phases as follows:

The general contractor selection process involved the City, FRIT and RD Rockville, LLC (the development team). The development team interviewed four potential candidates (Whiting-Turner, Bovis, Clark, Donohoe). Based on experience with this product type, familiarity with local environment, and financial capacity, these candidates were permitted to move forward. Each provided a conceptual budget, conceptual schedule, and conceptual phasing/constructability plan. The development team met with each of the candidates to review their submission package.

Donohoe was eliminated from the process at this point based on their budget and their understanding of the project. The three remaining candidates were each requested to update their price and schedule based on further design development. At this time Bovis withdrew from the process. The two final candidates presented a revised budget, project team, and construction plan to the development plan during a 2-hour interview. Whiting-Turner was selected based on their budget, project team, and familiarity with the project.

After Whiting-Turner was selected, they worked with the development team, engineers, architects and other consultants to develop a bid package. The bid package for the public improvements, garages and private improvements was distributed in May 2004. Bids were received in June. The development team has been meeting with Whiting-Turner regarding value engineering issues, scope issues, and validating the bids. The costs for the public improvements have been finally negotiated.


Section 17-88 of the City Code allows the City to utilize a special procurement procedure if the Mayor and Council make a written determination that a unique or unusual circumstance exists that makes competitive procurement process contrary to the City's interest. There must be a written record of the reasons justifying the special procurement.

Therefore, approval of this agenda item will also include a finding by the Mayor and Council that the public/private nature of the Town Square project, the City's contractual obligations to comply with the terms of the amended and restated GDA (approved June 2004) and the October 2003 MOU between the City and County create unique and/or unusual circumstances. There was the

competitive process previously described. These factors make the typical competitive procurement process contrary to the City's interest and justifies the special procurement procedure. It also will allow the Town Square to be completed on time.

In summary approval of this contract will allow construction, primarily earthwork and demolition, to begin. This will allow the City to do the pad work for the library site and to maintain the schedule.

PREPARED BY:

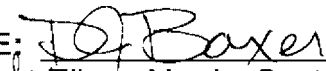

Ryan McDavitt, Program Manager for Town Center

APPROVE:


Arthur D. Chambers, AICP, Director, CPDS


7/8/04
Date

APPROVE:


Eileen Morris, Contract Officer

7/8/04
Date

APPROVE:


Catherine Tuck Parrish, Acting City Manager

7/8/04
Date

LIST OF ATTACHMENTS:

- 1) Spread Sheet showing scope of work and mark-ups for Phase I of the Public Improvement Contract.
- 2) Spread Sheet showing scope of work to be preformed under the 60 day Not to Exceed value.

Scope of Work for Phase I of Public Improvements

Attachment 1

Work Item	Public Improvements	Garage Contract	Total
Surveying	\$45,150	\$9,375	\$54,525
Earthwork	\$621,100	\$2,930,570	\$3,551,670
Site Utilities	\$2,854,000	\$0	\$2,854,000
Sheeting & Shoring	\$0	\$661,200	\$661,200
Dewatering	<u>\$0</u>	<u>\$42,536</u>	<u>\$42,536</u>
Hard Cost subtotal	\$3,520,250	\$3,643,681	\$7,163,931
Gen. Conditions	\$245,280 (1)	\$192,000	\$437,280
Gen. Conditions Temp. Fencing	\$65,679	\$0	\$65,679
Insurance and Bonds (2)	\$49,000	\$49,000	\$98,000
Fixed Base Fee	\$77,840 (1)	\$78,000	\$155,840
Pre-Construction Services	<u>\$18,200 (1)</u>	<u>\$107,000</u>	<u>\$125,200</u>
Soft Cost subtotal	\$455,999	\$426,000	\$881,999
TOTAL	\$3,976,249	\$4,069,681	\$8,045,930

Notes:

- (1) The amount of General Conditions, pre-construction, and fees for Phase I is a straight percentage (28%) of the Phase I hard cost to total project hard costs.
- (2) The 1.285% is based on percentages from 7/6/04 site work GMP summary from Whiting-Turner; Liability insurance is 0.2%, Builders Risk insurance is 0.3%, and Price and Performance bond is 0.785%.

**Notice to Proceed
60 Day Cash Flow
Not to Exceed \$975,679**

Attachment 2

Hard Costs

Surveying	\$20,000
Earthwork	\$175,000
Utilities	\$200,000
Sheeting & Shoring	\$180,000
Dewatering	\$150,000
	<hr/>
Sub-Total	\$725,000

Soft Costs

Pre-construction Reimbursement	\$100,000
Temp. Fencing (1)	\$65,679
General Conditions (2 months)	\$70,000
Insurance (2)	\$15,000
	<hr/>
Sub-Total	\$250,679

Total	<div style="border: 1px solid black; padding: 2px;">\$975,679</div>
-------	---

Notes:

- (1) The cost of fencing is to ultimately be paid as part of the general conditions. However, a contract for the entire amount is needed to finance the site when construction begins.
- (2) This is an estimated amount assuming that Whiting-Turner and their sub contractors will need to provide their own insurance until the OCIP contract is finalized.